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September 21, 2004

**VIA FEDERAL EXPRESS**

Hon. Vernon A. Williams, Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423-0001

RECORDATION NO. 25205 FILED  
SEP 23 '04 12-24 PM  
SURFACE TRANSPORTATION BOARD



Dear Sir:

I am enclosing two (2) originals of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the U.S. Code.

This document is a Memorandum of Security Agreement, a primary document dated as of August 25, 2004. The names and addresses of the parties to the document are as follows:

Interfor Pacific Inc., grantor of the security interest, 8788 Oertel Drive, Blaine, Washington 98230, USA.

Royal Bank of Canada, Agent for certain lenders, Royal Bank Plaza, P.O. Box 50, 12<sup>th</sup> Floor, South Tower, 200 Bay Street, Toronto, Ontario, M5J 2W7.

A description of the equipment covered by the document follows:

Forty (40), 100-ton (263K), 7,452 cubic foot capacity woodchip gondola railcars designed for rollover service, built by Gunderson in 1971 and refurbished in 2002.

1	HPJX	354402	21	HPJX	354755
2	HPJX	354416	22	HPJX	354790
3	HPJX	354443	23	HPJX	354796
4	HPJX	354459	24	HPJX	354819
5	HPJX	354484	25	HPJX	354833
6	HPJX	354485	26	HPJX	354838
7	HPJX	354511	27	HPJX	354848
8	HPJX	354582	28	HPJX	354862
9	HPJX	354584	29	HPJX	354879
10	HPJX	354600	30	HPJX	354886
11	HPJX	354621	31	HPJX	354898
12	HPJX	354625	32	HPJX	354928
13	HPJX	354636	33	HPJX	354940
14	HPJX	354639	34	HPJX	354945
15	HPJX	354645	35	HPJX	354976
16	HPJX	354650	36	HPJX	354997
17	HPJX	354667	37	HPJX	355006
18	HPJX	354679	38	HPJX	355028
19	HPJX	354702	39	HPJX	355070
20	HPJX	354749	40	HPJX	355086

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A short summary of the document to appear in the index follows:

Memorandum of Security Agreement dated as of August 25, 2004, between Interfor Pacific Inc., a Washington corporation and Royal Bank of Canada as agent for certain lenders under that certain Credit Agreement dated for reference August 25, 2004, relating to that certain Security Agreement dated as of August 25, 2004 between the aforesaid parties.

A fee of \$30 is enclosed. Please return one of the enclosed originals of the Memorandum of Security Agreement with the recordation number stamped on it to the undersigned.

If you have any questions, please call me at 212-554-7832.

Very truly yours,

MOSES & SINGER LLP



Devika Kewalramani

Enclosures

cc: James Sutcliffe, Esq.  
Richard Sarabando, Esq.  
Ward Burringrud, Esq.  
Duff Bryant, Esq.  
Ms. Rose Lindberg  
Peter S. Smedresman, Esq.  
Elizabeth S. Sawyer, Esq.

SEP 23 '04 12:24 PM

## SURFACE TRANSPORTATION BOARD

MEMORANDUM FOR RECORDATION WITH THE SURFACE TRANSPORTATION  
BOARD UNDER 49 U.S.C. § 11301

MEMORANDUM OF SECURITY AGREEMENT dated as of <sup>August 25,</sup> ~~September 11,~~ 2004, between INTERFOR PACIFIC INC., a Washington corporation (hereinafter, "Interfor Pacific"), and ROYAL BANK OF CANADA as agent for certain lenders under that certain Credit Agreement dated for reference August 25, 2004 (hereinafter, the "Agent").

WHEREAS, Interfor Pacific and the Agent are entering into that certain Security Agreement dated as of <sup>August 25,</sup> ~~September 11,~~ 2004 covering, among other things, the railcars listed on Schedule I attached hereto and subject to the Full Maintenance Lease Agreement dated as of September 11, 2002 by and between Helm-Pacific Leasing and Crown Pacific Partners, L.P., as it may be amended, supplemented or otherwise modified from time to time.

IN WITNESS WHEREOF, Interfor Pacific and the Agent wish to show for the public record the leasehold interest of the said railcars by Interfor Pacific and accordingly have caused this memorandum to be executed by their respective officers thereunto duly authorized, as of the date first above written.

INTERFOR PACIFIC INC., a Washington  
corporationBy: [Signature]  
Name: John A. Horning  
Title: Chief Financial Officer

ROYAL BANK OF CANADA, as Agent

By: [Signature]  
Name: GAIL WATKIN  
Title: MANAGER, AGENCY

CONSENTED TO BY:

HELM-PACIFIC LEASING

By: HELM PACIFIC CORPORATION, a General Partner

By: \_\_\_\_\_  
Name:  
Title:By: UNION PACIFIC VENTURE LEASING INCORPORATED,  
a General PartnerBy: \_\_\_\_\_  
Name:  
Title:

SCHEDULE I TO MEMORANDUM OF SECURITY AGREEMENT

SCHEDULE A

To the Full Maintenance Lease Agreement dated September 11, 2002 between Helm-Pacific Leasing and Crown Pacific Partners, L.P.

THE UNITS:

Description: Forty (40), 100-ton (263K), 7,452 cubic foot capacity woodchip gondola railcars designed for rollover service. Built by Gunderson in 1971 and refurbished in 2002.

1	HPJX	354402	21	HPJX	354755
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16	HPJX	354650	36	HPJX	354997
17	HPJX	354667	37	HPJX	355006
18	HPJX	354679	38	HPJX	355028
19	HPJX	354702	39	HPJX	355070
20	HPJX	354749	40	HPJX	355086

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GAIL WATKIN, to me personally known, who, by me being duly sworn say that ~~he~~/she is a MANAGER, AGENCY of Royal Bank of Canada, and that the instrument attached hereto was signed on behalf of the said Royal Bank of Canada by authority of its board of directors, and ~~he~~/she acknowledged that the execution of the instrument attached hereto was the free act and deed of said Royal Bank of Canada.

Name: \_\_\_\_\_  
A NOTARY PUBLIC in and for the Province of  
Ontario; BEING A SOLICITOR, OR  
My appointment expires \_\_\_\_\_  
*does not*

RML/1230586

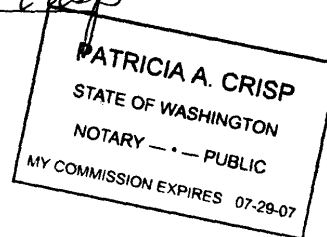
STATE OF Washington  
CITY OF Seattle ) ss.:

On this 27<sup>th</sup> day of August, 2004, before me personally appeared John Hanning, to me personally known, who, by me being duly sworn, says that he/she is a CEO of Klamath Northern Railway Company, and that the foregoing instrument was signed on behalf of said company by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said company.

*Interfor Pacific Inc*

Patricia A. Crisp  
Notary Public

My commission expires: 7-29-07



STATE OF \_\_\_\_\_ )  
CITY OF \_\_\_\_\_ ) ss.:

On this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me personally known, who, by me being duly sworn, says that he/she is a \_\_\_\_\_ of Royal Bank of Canada, and that the foregoing instrument was signed on behalf of said bank by authority of its board of directors, and he/she acknowledged that the execution of the foregoing instrument was the free act and deed of said bank.

\_\_\_\_\_  
Notary Public

My commission expires: